

capital of 4,000,000 liras (\$800,000), and to be under the supervision of a royal commissioner and sub-commissioner. The bank received a subvention of 4,000,000 liras from the government during 1846 and the following years, upon which it paid interest at two per cent. A bank was founded at Turin on October 16, 1847, with a capital of 4,000,000 liras, but the political and economic crisis of 1848 checked its development. A royal ordinance of December 14, 1849, authorized it to unite with the older bank under the denomination of the National Bank of Sardinia, with head offices at both Genoa and Turin. The duration of the new establishment was fixed at thirty years, beginning on January 1, 1850, and its capital at 8,000,000 liras, which was afterwards increased to 32,000,000 liras (\$6,200,000).

The government in 1848 resolved upon a loan of 20,000,000 liras, which the Bank of Genoa was required to furnish at two per cent., upon the pledge of the goods of the Order of Saints Maurice and Lazarus. Forced legal tender character was given to the bank-notes and an increase in issues permitted of 20,000,000 liras. The smallest notes were reduced from 250 liras (\$50) to 100 liras (\$20) with the condition that the notes of 100 liras should not be issued to the amount of more than one-fifth of the total circulation. The loan was reimbursed to the bank and specie payments were resumed at the end of 1849.¹ The bank from that time followed the fortunes of the Royal House of Sardinia, and extended its branches and operations with the success of the Sardinian arms and the consolidation of the Italian States. It was necessary in 1856 to authorize the bank to exceed the maximum note circulation allowed by its statutes, which was three times the cash reserve. The bills of the bank were again made legal tender, with suspension of cash payments on April 27, 1859, on the occasion of the war with Austria, and the bank was authorized to issue 6,000,000 liras in notes of twenty liras (\$4) and to open a credit for the government to the amount of 30,000,000 liras at two per cent. The bank

¹ Courcelle-Seneuil, 354.